

# MASSACHUSETTS STATEWIDE HEALTH REFORM DEMONSTRATION

## FACT SHEET

<b>Name of Section 1115 Demonstration:</b>	MassHealth
<b>Date Proposal Submitted:</b>	April 15, 1994
<b>Date Proposal Approved:</b>	April 24, 1995
<b>Date of Implementation:</b>	July 1, 1997
<b>Three-Year Extension Requested:</b>	June 28, 2001
<b>Three-Year Extension Approved:</b>	December 21, 2001
<b>Three-Year Extension Requested:</b>	June 30, 2004
<b>Three-Year Extension Approved:</b>	January 26, 2005
<b>Date of Expiration:</b>	June 30, 2008

## SUMMARY

MassHealth is a statewide demonstration project that makes health insurance available to a number of previously uninsured individuals. Since the demonstration began, the number of MassHealth members has grown over 62 percent to include over 900,000 members. In addition to the traditional Medicaid population, the demonstration provides coverage for the uninsured, the unemployed, the working and non-working disabled, low-income workers and their families, individuals with HIV, and women with breast and cervical cancer. The MassHealth demonstration is also designed to stimulate private employers to offer affordable health insurance to their low-income workers. To this end, MassHealth offers insurance payments to small employers who offer health insurance to low-income workers for which the employers pay at least 50 percent of the premium. In January 2005, the demonstration was extended an additional three years, through June of 2008. One of the major differences in this approved extension is the creation of the Safety Net Care Pool (SNCP). The SNCP is a fixed allotment consisting of a combination of demonstration savings and the commonwealth's DSH allotment. This Pool is available to pay for costs related to providing health care services to the uninsured and unreimbursed Medicaid costs. Also, up to 10 percent of the SNCP may be used for improvement of the delivery of health care to uninsured populations, such as capacity building and infrastructure.

The objectives of the section 1115 demonstration are to:

1. Expand access to health coverage for low-income residents;
2. Improve the efficiency of the eligibility determination process;
3. Create a successful marketing and outreach campaign;
4. Develop programs to expand health coverage while maximizing employer sponsored health insurance to low-income residents and
5. Continue quality improvement through managed care.

## **ELIGIBILITY**

MassHealth has multiple components:

**MassHealth Standard:** Children under age 1 and pregnant women with incomes at or below 200 percent of the FPL; children ages 1 through 18 with incomes at or below 150 percent of the FPL; parents with children under age 19 with incomes at or below 133 percent of the FPL; and disabled adults ages 19 through 64 with incomes at or below 133 percent of the FPL. Certain women diagnosed with breast or cervical cancer whose gross family income is at or below 250 percent of the FPL are also covered.

**MassHealth CommonHealth:** Disabled children through age 18 with incomes over 150 percent FPL; working disabled adults, no income limit; and non-working disabled adults with incomes over 133 percent FPL.

**MassHealth Basic:** Adults who receive state-funded cash assistance through the Emergency Assistance to the Elderly, Disabled, and Children (EAEDC) program, or are unemployed clients of the Department of Mental Health whose income is at or below 100 percent FPL.

**MassHealth Essential:** Adults who are long-term unemployed with incomes at or below 100 percent of the FPL and who are not eligible for MassHealth Basic.

**MassHealth Family Assistance/Premium Assistance:** Children ages 1 through 18 with incomes between 150 and 200 percent of the FPL who have or have access to employer sponsored health insurance. Adults ages 19 through 64 with incomes at or below 200 percent of the FPL who have or have access to employer sponsored health insurance. For these individuals, the State pays the employee's share of the employer-sponsored insurance premium minus a small employee contribution. Also covered are individuals with HIV who are under the age of 65, are not institutionalized, and have income that is less than or equal to 200 percent of the FPL.

**MassHealth Family Assistance/Direct Purchase of benefits:** Children ages 1 through 18 with incomes between 150 and 200 percent of the FPL who do not have or have access to employer sponsored health insurance. For these children, the State provides the MassHealth Standard benefit.

**MassHealth Limited:** Emergency services to undocumented aliens who would otherwise be eligible for MassHealth Standard but for their immigration status.

**MassHealth Prenatal:** Time-limited prenatal services to pregnant women who self-declare gross family income that is at or below 200 percent of the FPL.

## **BENEFIT PACKAGE**

MassHealth beneficiaries generally receive all services that are currently covered under the Massachusetts Medicaid program. While covered benefits vary slightly across MassHealth components, benefit coverage is comprehensive. The only exceptions are MassHealth Limited

and MassHealth Prenatal (please see eligibility section above).

### **ENROLLMENT/DISENROLLMENT PROCESS**

While enrollment in managed care is mandatory (except for MassHealth CommonHealth members who remain in fee-for-service), MassHealth beneficiaries may change managed care organizations (MCOs) and/or primary care physicians at any time. Beneficiaries who do not choose a managed care entity within the allotted timeframe are auto-assigned.

Individuals with HIV who meet income standards are presumptively eligible for 60 days. They must provide verification of HIV status within that timeframe to continue eligibility.

### **DELIVERY SYSTEM**

MassHealth members can choose from four MCOs or the Primary Clinician Care Plan, which is a Primary Care Case Management (PCCM) plan operated by the State. Federally Qualified Health Centers and community health centers are participating providers in all of the MCOs and the PCCM plan.

### **QUALITY ASSURANCE**

As required under applicable Federal laws and regulations, quality of care furnished under MassHealth is subject to internal and external review. The State also ensures the effectiveness and quality of care by monitoring access, utilization practices, and client information, as well as through established service standards in contracts with MCOs.

### **COST-SHARING**

Cost-sharing requirements vary across the MassHealth components; however, requirements for premiums and copayments are nominal. Where cost-sharing is required, it is on a sliding-scale based on income.

### **AMENDMENTS**

#### **Amendment #7: Independent Foster Care Adolescents**

An amendment was approved on June 19, 2007, to allow Massachusetts to add independent foster care adolescents as a base demonstration population and to authorize expenditures for behavioral health services for this population.

**Date Amendment Submitted:**

December 29, 2006

**Date Amendment Approved:**

June 19, 2007

#### **Amendment #6: Non-emergency Medical Transportation (NEMT)**

An amendment was approved on June 19, 2007, to allow the Massachusetts to add non-emergency medical transportation (NEMT) benefits for expansion populations.

**Date Amendment Submitted:**

November 30, 2006

**Date Amendment Approved:**

June 19, 2007

**Amendment #5: Health Care Reform Amendment**

An amendment was approved on July 26, 2007, to allow Massachusetts to (1) increase its enrollment caps for beneficiaries with HIV receiving coverage under the Family Assistance program and for long-term chronically unemployed beneficiaries receiving services under the Essential program; (2) implement program modifications enacted by the Health Care Reform Act to the current Insurance Partnership (IP) program; and (3) expend funds from the Safety Net Care Pool (SNCP) based on approved payment methodologies.

**Date Amendment Submitted:** May 1, 2006  
**Date Amendment Approved:** July 26, 2006

**Amendment #4: Disability Determination Amendment**

On August 29, 2003, Massachusetts submitted an amendment request to allow the Commonwealth to modify the standards utilized in its disability determination process in determining eligibility for the MassHealth Program to ensure that only adults who are truly incapable of substantial gainful activity are found “disabled.” CMS disapproved this amendment request.

**Date Amendment Submitted:** August 29, 2003  
**Date Amendment Approved:** Disapproved

**Amendment #3: Enrollment Cap Amendment**

An amendment was approved on January 29, 2004, to allow Massachusetts to impose an enrollment cap on non-state plan demonstration eligibles.

**Date Amendment Submitted:** June 5, 2003  
**Date Amendment Approved:** January 29, 2004

**Amendment #2: Pharmacy Amendment**

Massachusetts submitted an amendment request to allow the Commonwealth to cover prescription drug expenditures for low- income elderly and disabled individuals not otherwise eligible for MassHealth. Massachusetts withdrew this amendment request on August 29, 2003.

**Date Amendment Submitted:** March 14, 2003  
**Date Amendment Withdrawn:** August 29, 2003

**Amendment #1: Breast and Cervical Cancer Amendment**

An amendment was approved on December 4, 2002, to allow Massachusetts to provide coverage for certain uninsured women with breast and cervical cancer.

**Date Amendment Submitted:** July 16, 2002  
**Date Amendment Approved:** December 4, 2002

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